ORGANIZATION AND MANAGEMENT MODEL
OF

UTIL INDUSTRIES S.P.A.

GENERAL PART

1. LEGISLATIVE DECREE NO. 231 OF 8 JUNE 2001 ON THE ADMINISTRATIVE LIABILITY OF LEGAL PERSONS, COMPANIES AND ASSOCIATIONS, INCLUDING THOSE WITHOUT LEGAL PERSONALITY

1.1 The Administrative Liability of Legal Persons

Legislative Decree no. 231 of 8 June 2001, implementing Delegated Law no. 300 of 29 September 2000, introduced in Italy the "*Regulation of the administrative liability of legal persons, companies and associations, including those without legal personality*" (hereinafter, for the sake of brevity, also **"Legislative Decree no. 231 of 2001"** or the **"Decree"**), which is part of a broad legislative process to fight corruption and adapts the Italian legislation on the liability of legal persons to some International Conventions previously signed by Italy.

Legislative Decree no. 231 of 2001 therefore establishes a regime of administrative liability (substantially comparable to criminal liability), borne by legal persons[1] (hereinafter, for the sake of brevity, the "**Entity(s**)"), which is in addition to the liability of the natural person (better identified below) who is the material perpetrator of the crime and which aims to involve, in the punishment of the same, the entities in whose interest or advantage this crime was committed. This administrative liability exists only for the crimes exhaustively listed in the same Legislative Decree no. 231 of 2001.

Article 4 of the Decree also specifies that in certain cases and under the conditions provided for in Articles 7, 8, 9 and 10 of the Criminal Code, there is the administrative liability of the Entities that have their main office in the territory of the State for crimes committed abroad by natural persons (as better identified below) provided that the State of the place where the criminal act was committed does not proceed against these Entities.

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[1] Article 1 of Legislative Decree no. 231 of 2001 limited the scope of the subjects covered by the legislation to *"entities with legal personality, companies and associations, including those without legal personality"*. In light of this, the legislation applies to:

- entities with private subjectivity, or entities with legal personality and associations "even without" legal personality;
- entities with public subjectivity, i.e. entities with public subjectivity, but without public powers (so-called "public economic entities")
- entities with mixed public/private subjectivity (so-called "mixed companies").

On the other hand, the following are excluded from the list of recipients: the State, local public bodies (Regions, Provinces, Municipalities and Mountain Communities), non-economic public bodies and, in general, all bodies that carry out functions of constitutional importance (Chamber of Deputies, Senate of the Republic, Constitutional Court, General Secretariat of the Presidency of the Republic, C.S.M., etc.).

1.2 Persons subject to Legislative Decree no. 231 of 2001

The subjects who, by committing a crime in the interest or to the advantage of the Entity, can determine the responsibility are listed below:

(i) natural persons who hold top positions (representation, administration or management of the Entity or of one of its organisational units with financial and functional autonomy or persons who exercise, in fact, management and control: hereinafter, for the sake of brevity, the "Top Managers"),

(ii) natural persons subject to the direction or supervision of one of the Top Managers (hereinafter, for the sake of brevity, the "Subordinate Subjects").

In this regard, it should be noted that it is not necessary for the Subordinate Subjects to have an employment relationship with the Entity, since this notion must also include "*those workers who, although not <employees> of the entity, have a relationship with it such as to consider that there is an obligation of supervision on the part of the top management of the entity itself: think, for example, of agents, partners in joint-venture transactions, the so-called para-subordinates in general, distributors, suppliers, consultants, collaborators*".[2]

In fact, according to the prevailing doctrinal approach, those situations in which a particular task is entrusted to external collaborators, required to perform it under the direction or control of Top Managers, are relevant for the purposes of the administrative liability of the entity.

However, it should be reiterated that the Entity is not liable, by express legislative provision (Article 5, paragraph 2, of the Decree), if the aforementioned subjects have acted in their own exclusive interest or in the interest of third parties. In any case, their conduct must be referable to that "organic" relationship for which the acts of the natural person can be imputed to the Entity.

1.3 Predicate offences

The Decree refers to the following types of offences (hereinafter, for the sake of brevity, also the "**Predicate Offences**"):

(i) crimes against the Public Administration (Articles 24, 25 of Legislative Decree No. 231 of 2001), introduced by the Decree and subsequently amended by Law No. 190 of 6 November 2012, then amended by Law No. 3 of 9 January 2019, by Legislative Decree No. 75 of 14 July 2020, by Legislative Decree No. 4 of 27 January 2022, converted into Law No. 25 of 28 March 2022, by Law No. 137 of 9 October 2023 and most recently by Law No. 112 of 8 August 2024 and Law No. 114 of 9 August 2024

(ii) computer crimes and unlawful data processing, introduced by Article 7 of Law No. 48 of 18

[2] As follows: Assonime Circular, dated 19 November 2002, no. 68.

March 2008, which inserted Article 24-bis into Legislative Decree No. 231 of 2001 as amended by Law No. 133 of 18 November 2019 and most recently by Law No. 90 of 28 June 2024;

(iii) crimes of organized crime, introduced by Article 2, paragraph 29, of Law No. 94 of 15 July 2009, which inserted Article 24-ter into Legislative Decree No. 231 of 2001;

(iv) offences relating to counterfeiting of coins, public credit cards, stamp duty and identification instruments or signs, introduced by Article 6 of Law No. 406 of 23 November 2001, which inserted Article 25-bis into Legislative Decree No. 231 of 2001, subsequently supplemented by Article 15, paragraph 7, letter a) of Law No. 99 of 23 July 2009 and amended by Legislative Decree No. 125 of 2016;

(v) crimes against industry and commerce, introduced by Article 15, paragraph 7, letter b) of Law No. 99 of 23 July 2009, which inserted Article 25-bis.1 into Legislative Decree No. 231 of 2001 and subsequently amended by Law No. 75 of 21 April 2026;

(vi) corporate crimes, introduced by Legislative Decree No. 61 of 11 April 2002, which inserted Article 25-ter into Legislative Decree No. 231 of 2001, subsequently supplemented by Law No. 190 of 6 November 2012, subsequently amended by Law No. 69 of 27 May 2015 and most recently by Legislative Decree No. 38 of 15 March 2017 and Legislative Decree No. 19 of 2 March 2023;

(vii) crimes with the purpose of terrorism or subversion of the democratic order, introduced by Law no. 7 of 14 January 2003, which inserted article 25-quarter into Legislative Decree no. 231 of 2001;

(viii) practices of mutilation of female genital organs, introduced by Law no. 7 of 9 January 2006, which inserted art. 25-quarter.1 into Legislative Decree no. 231 of 2001;

(ix) crimes against the individual personality, introduced by Law No. 228 of 11 August 2003, which inserted Article 25-quinquies into Legislative Decree No. 231 of 2001, subsequently amended by Law No. 6 February 2006, by Legislative Decree No. 39 of 4 March 2014 and by Law No. 199 of 29 October 2016 and most recently by Legislative Decree No. 115/2026;

(x) offences of market abuse, provided for by Law no. 62 of 18 April 2005, which inserted article 25-sexies into Legislative Decree no. 231 of 2001 and, within the TUF, article 187-quinquies "Liability of the entity":

(xi) crimes of manslaughter or serious or very serious injuries, committed in violation of the rules on the protection of health and safety at work, introduced by Law no. 123 of 3 August 2007, which inserted article 25-septies into Legislative Decree no. 231 of 2001 and subsequently replaced by article 300 of Legislative Decree no. 81 of 9 April 2008;

(xii) offences of receiving stolen goods, money laundering and use of money, goods or utilities of illicit origin, introduced by Legislative Decree No. 231 of 21 November 2007, which inserted Article 25-octies into Legislative Decree No. 231 of 2001, subsequently amended by Law No. 186 of 15 December 2014 and by the amendments introduced by Legislative Decree No. 231 of 21 November 2007, by Legislative Decree No. 90 of 25 May 2017 and most recently by Legislative Decree No. 195 of 8 November 2021;

(xiii) crimes relating to payment instruments other than cash and fraudulent transfer of values introduced by Legislative Decree no. 184 of 14 December 2021, which inserted art. 25-octies 1, subsequently amended by Law no. 137 of 9 October 2023 into Legislative Decree no. 231 of 2001.

(xiv) offences relating to the violation of restrictive measures of the European Union introduced by Legislative Decree no. 211 of 30 December 2025, which inserted art. 25-octies 2 into Legislative Decree 231/2001;

(xv) crimes relating to copyright infringement, introduced by Article 15, paragraph 7, letter c), of Law No. 99 of 23 July 2009, which inserted Article 25-novies into Legislative Decree No. 231 of 2001, subsequently amended by Law No. 93 of 14 July 2023 and Law No. 166 of 14 November 2025;

(xvi) crime of inducement not to make declarations or to make false declarations to the judicial authority, introduced by art. 4 of Law no. 116 of 3 August 2009 (subsequently replaced by art. 2 of Legislative Decree no. 121 of 7 July 2011), which inserted article 25-decies into Legislative Decree no. 231 of 2001;

(xvii) environmental crimes, introduced by Legislative Decree No. 121 of 7 July 2011, which inserted Article 25-undecies into Legislative Decree No. 231 of 2001, subsequently amended by Law No. 68 of 22 May 2015, Law No. 137 of 9 October 2023, Law No. 147 of 3 October 2025 and most recently by Legislative Decree No. 81 of 21 April 2026;

(xviii) offence of employment of illegally staying third-country nationals, introduced by Legislative Decree No. 109 of 16 July 2012, concerning the "Implementation of Directive 2009/52/EC introducing minimum standards relating to sanctions and measures against employers who employ illegally staying third-country nationals", which inserted Article 25-duodecies into Legislative Decree No. 231 of 2001, amended by Law No. 161 of 17 October 2017, by Legislative Decree No. 20 of 10 March 2023, converted into Law No. 20 of 5 May 2023 and most recently by Legislative Decree No. 211 of 30 December 2025;

(xix) crimes of racism and xenophobia, introduced by Law no. 167 of 20 November 2017 (European Law 2017) which inserted art. 25 terdecies into Legislative Decree;

(xx) crimes of fraud in sports competitions, abusive exercise of gaming and games of chance exercised by means of prohibited machines, introduced by Law no. 39 of 3 May 2019, which inserted art. 25 quaterdecies into Legislative Decree 231/2001;

(xxi) tax crimes, introduced by Legislative Decree no. 124 of 26 October 2019, converted with amendments by Law no. 157 of 19 December 2019, which inserted Article 25-quinquiesdecies into Legislative Decree 231/2001, last amended by Legislative Decree no. 75 of 14 July 2020;

(xxii) smuggling offences, introduced by Legislative Decree no. 75 of 14 July 2020, which inserted Article 25-sexiesdecies into Legislative Decree 231/2001 and subsequently amended by Legislative Decree no. 141 of 26 September 2024 and most recently by Legislative Decree no. 81 of 12 June 2025;

(xxiii) crimes against cultural heritage, introduced by Law no. 22 of 9 March 2022, which inserted Article 25-septiesdecies into Legislative Decree 231/2001, subsequently amended by Law no. 6 of 22 January 2024;

(xxiv) recycling of cultural property and devastation and looting of cultural and landscape property, introduced by Law no. 22 of 9 March 2022, which inserted Article 25-duodevicies into Legislative Decree 231/2001;

(xxv) crimes against animals, introduced by Law No. 82 of 6 June 2025, which inserted Article 25-undevicies into Legislative Decree 231/2001;

(xxvi) liability of entities for administrative offences dependent on crime, introduced by art. 12 of Law no. 9 of 14 January 2013;

(xxvii) transnational crimes, introduced by Law no. 146 of 16 March 2006, "Law on the ratification and execution of the United Nations Convention and Protocols against Transnational Organized Crime";

(xxviii) adaptation of national legislation to Regulation (EU) 2023/1114 of the European Parliament and of the Council of 31 May 2023 on markets in crypto-assets and amending EU Regulations No. 1093/2010 and No. 1095/2010 and Directives 2013/36/EU and (EU) 2019/1937 (Legislative Decree 129/2024)

(xxix) agri-food crimes, introduced by art. 12 of Law No. 9/2013, in relation to the cases referred to in art. 440, 442, 444, 473, 474, 515, 516, 517 and 517-quarter of the Criminal Code.

1.4 The Sanctions provided for in the Decree

Legislative Decree no. 231 of 2001 provides for the following types of sanctions applicable to entities subject to the legislation:

(a) administrative fines;
(b) disqualification sanctions;
(c) confiscation of the price or profit of the crime;
(d) publication of the judgment.

(a) The administrative fine, governed by Articles 10 et seq. of the Decree, constitutes the "basic" sanction of necessary application, for the payment of which the Entity is liable with its assets or with the common fund.

The Legislator has adopted an innovative criterion for measuring the sanction, attributing to the Judge the obligation to proceed with two different and successive appraisal operations. This involves a greater adjustment of the sanction to the seriousness of the fact and to the economic conditions of the Entity.

The first assessment requires the Judge to determine the number of shares (in any case not less than one hundred, nor more than one thousand)[3] taking into account:

[3] With reference to the crimes of *market abuse*, the second paragraph of Article 25-sexies of Legislative Decree no. 231 of 2001 provides that: "If *and following the commission of the crimes referred to in paragraph 1, the product or profit obtained by the entity is significant, the penalty is increased up to ten times such product or profit*".

- of the seriousness of the fact;
- the degree of responsibility of the Entity;
- of the activity carried out to eliminate or mitigate the consequences of the act and to prevent the commission of further offences.

During the second assessment, the Judge determines, within the minimum and maximum values predetermined in relation to the sanctioned offences, the value of each share, from a minimum of Euro 258.00 to a maximum of Euro 1,549.00. This amount is set "*on the basis of the economic and financial conditions of the entity in order to ensure the effectiveness of the sanction*" (Articles 10 and 11, paragraph 2, Legislative Decree no. 231 of 2001).

As stated in point 5.1. of the Report to the Decree, "*As regards the methods of ascertaining the economic and financial conditions of the entity, the judge may make use of the financial statements or other records in any case suitable for photographing these conditions. In some cases, the proof may also be obtained by taking into account the size of the entity and its position on the market.* (...) *The judge will not be able to help but immerse himself, with the help of consultants, in the reality of the company, where he will also be able to draw information relating to the state of economic, financial and equity solidity of the entity*".
Art. 10 par. 3-bis of Legislative Decree 231/01, introduced by Legislative Decree no. 211 of 30 December 2025, also establishes that, in the cases provided for by law, the financial penalty is calculated as a percentage of the entity's global turnover, referring to the financial year preceding the crime or sanction. If the turnover cannot be ascertained, the penalty is applied in the amount determined in relation to each offence.

Article 12, Legislative Decree no. 231 of 2001, provides for a series of cases in which the financial penalty is reduced. They are schematically summarized in the following table, with an indication of the reduction made and the conditions for the application of the reduction itself.

Reduction	**Prerequisites**
1/2 (and in any case cannot exceed Euro 103,291.00)	• The offender committed the act in the prevailing interest or that of third parties *and* the Authority has not obtained a advantage or has obtained a minimal advantage from it; *or* • the pecuniary damage caused is particularly tenuous.

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1/3 to 1/2	[Before the opening statement of the trial of first instance] • The Authority has fully compensated for the damage and has eliminated the harmful or dangerous consequences of the crime or has in any case effectively worked in this direction; *or* • an organisational model suitable for preventing crimes of the kind that occurred has been implemented and made operational.
1/2 to 2/3	[Before the opening statement of the trial of first instance] • The Authority has fully compensated for the damage and has eliminated the harmful or dangerous consequences of the crime or has in any case effectively worked in this direction; *e* • an organisational model suitable for preventing crimes of the kind that occurred has been implemented and made operational.

(b) The following **disqualification sanctions** are provided for by the Decree and apply only in relation to the crimes for which they are expressly provided:

- prohibition from carrying out business activities;
- suspension or revocation of authorizations, licenses or concessions functional to the commission of the offense;
- prohibition to contract with the Public Administration, except to obtain the performance of a public service;
- exclusion from facilitations, financing, contributions and subsidies, and/or the revocation of those already granted;
- prohibition of advertising goods or services.

In order for disqualification sanctions to be imposed, at least one of the conditions referred to in Article 13 of Legislative Decree No. 231 of 2001 must be met, namely:

- "*the entity has made a significant profit from the crime and the crime has been committed by persons in a top position or by subjects subject to the direction of others when, in this case, the commission of the crime has been determined or facilitated by serious organizational deficiencies*"; or
- "*in the event of repetition of the offences*".[4]

[4] Pursuant to Article 20 of Legislative Decree no. 231 of 2001, "*there is repetition when the entity, already definitively convicted at least once for an offence dependent on a crime, commits another in the five years following the final conviction*".

In addition, disqualification sanctions can also be requested by the Public Prosecutor and applied to the Entity by the Judge as a precautionary measure, when:

- there are serious indications to believe the existence of the liability of the Entity for an administrative offence dependent on a crime;
- well-founded and specific elements emerge that suggest the existence of a concrete danger that offences of the same nature as the one for which proceedings are being carried out are committed;
- the Authority has made a significant profit.

In any case, disqualification sanctions are not applied when the crime has been committed in the prevailing interest of the perpetrator or third parties and the Entity has obtained a minimal or no advantage, or the financial damage caused is particularly tenuous.

The application of disqualification sanctions is also excluded by the fact that the Entity has implemented the remedial conduct provided for by Article 17 of Legislative Decree No. 231 of 2001 and, more precisely, when the following conditions are met:

- "*the entity has fully compensated for the damage and has eliminated the harmful or dangerous consequences of the crime or has in any case effectively worked in this direction*";
- "*the entity has eliminated the organizational deficiencies that led to the crime through the adoption and implementation of organizational models suitable for preventing crimes of the kind that occurred*";
- "*The entity has made available the profit obtained for the purpose of confiscation*".

Disqualification sanctions have a duration of not less than three months and not more than two years and the choice of the measure to be applied and its duration is made by the Judge on the basis of the criteria indicated above for the calculation of the financial penalty, "*taking into account the suitability of the individual sanctions to prevent offences of the type committed*" (Article 14, Legislative Decree no. 231 of 2001).

The Legislator then took care to specify that the prohibition of the activity has a residual nature compared to the other disqualification sanctions.

(c) Pursuant to Article 19 of Legislative Decree no. 231 of 2001, the sentence of conviction always provides for the **confiscation** - even by equivalent - of the price (money or other economic benefit given or promised to induce or determine another person to commit the crime) or of the profit (immediate economic benefit obtained) of the crime, except for the part that can be returned to the injured party and without prejudice to the rights acquired by third parties in good faith.

(d) The **publication of the sentence in** one or more newspapers, in extract or in full, may be ordered by the Judge, together with posting in the municipality where the Entity has its main office, when a disqualification sanction is applied. The publication is carried out by the Registry of the competent Judge and at the expense of the Entity.

1.5 Attempted crimes

In the event of the commission of the predicate offences of the Decree, in the form of an attempt, the financial penalties (in terms of amount) and disqualification sanctions (in terms of time) are reduced from one third to one-half, while the imposition of penalties is excluded in cases where the Entity voluntarily prevents the performance of the action or the realization of the event (Article 26 of the Decree).

1.6 Exemption conduct

Articles 6 and 7 of Legislative Decree no. 231 of 2001 provide for specific forms of exemption from the administrative liability of the Entity for crimes committed in the interest or to the advantage of the same both by Top Managers and Subordinates (as defined in paragraph 1.2 above).

In particular, in the case of crimes committed by Top Managers, Article 6 of the Decree provides for exemption if the Entity itself proves that:

a) the management body has adopted and effectively implemented, before the commission of the act, an organisational and management model suitable for preventing offences of the kind that occurred (hereinafter, for the sake of brevity, the "Model");
b) the task of supervising the operation and compliance with the Model as well as ensuring that it is updated has been entrusted to a body of the Entity (hereinafter, for the sake of brevity, the "Supervisory Body" or the "Supervisory Body"), with autonomous powers of initiative and control;
c) the persons who committed the offence acted by fraudulently circumventing the Model;
d) there was no omission or insufficient supervision by the Supervisory Body.

With regard to the Subject Parties, Article 7 of the Decree provides for the exemption of liability in the event that the Entity has adopted and effectively implemented, before the commission of the crime, a Model suitable for preventing crimes of the kind that occurred.

However, the exemption from the liability of the Entity is not determined by the mere adoption of the Model, but by its effective implementation to be achieved through the implementation of all the protocols and controls necessary to limit the risk of committing the crimes that the Company intends to avoid. In particular, with reference to the characteristics of the Model, the Decree expressly provides, in Article 6, paragraph 2, for the following preparatory steps for the correct implementation of the Model itself:

a) identification of activities in the context of which there is a possibility of crimes being committed;

b) provision of specific protocols aimed at planning the formation and implementation of the Authority's decisions in relation to the crimes to be prevented;

c) identification of the methods of managing financial resources suitable for preventing the commission of such crimes;

d) provision of information obligations towards the Supervisory Body;

e) introduction of a disciplinary system suitable for sanctioning non-compliance with the measures indicated in the Model.

1.7 The Guidelines

On the express indication of the delegated legislator, the Models may be adopted on the basis of codes of conduct drawn up by representative trade associations that have been communicated to the Ministry of Justice which, in agreement with the competent Ministries, may formulate observations within 30 days on the suitability of the models to prevent crimes.

The preparation of this Model is inspired by the Guidelines for the construction of the Organisation, Management and Control Models *pursuant* to Legislative Decree no. 231 of 2001, approved by Confindustria on 7 March 2002 and subsequently updated (hereinafter, for the sake of brevity, the "**Guidelines**").

The path indicated by the Guidelines for the elaboration of the Model can be schematized according to the following fundamental points:

- identification of areas at risk, aimed at verifying in which areas/business sectors it is possible to commit crimes;
- preparation of a control system capable of reducing risks through the adoption of specific protocols. To support this, the coordinated set of organisational structures, activities and operating rules applied - on the instructions of top management - by management and consultants, aimed at providing reasonable certainty regarding the achievement of the objectives falling within a good internal control system, comes to the rescue.

The most important components of the preventive control system proposed by the Confindustria Guidelines are, with regard to the prevention of intentional crimes:

- the Code of Ethics;
- the organizational system;
- manual and computer procedures;
- authorization and signature powers;
- the control and management system;

- communication to staff and their training. With reference to culpable offences (offences relating to health and safety at work and - although subsequent to the issuance of the Guidelines - most environmental offences), the most relevant components identified by Confindustria are:

  - the Code of Ethics (or Code of Conduct) with reference to the crimes considered;
  - the organisational structure,
  - education and training,
  - communication and involvement,
  - operational management,
  - the safety monitoring system.

  The control system must be based on the following principles:

  - verifiability, documentability, consistency and congruence of each operation;
  - separation of functions (no one can independently manage all the phases of a process);
  - documentation of controls;
  - introduction of an adequate sanctioning system for violations of the rules and protocols provided for by the Model;
  - identification of a Supervisory Body whose main requirements are:

    - autonomy and independence,
    - professionalism,
    - continuity of action;

  - obligation on the part of the corporate functions, and in particular those identified as most "at risk of crime", to provide information to the Supervisory Body, both on a structured basis (periodic information in implementation of the Model itself), and to report anomalies or atypical issues found in the context of the available information.

2. THE PRESENT MODEL

2.1 Util Industries S.p.A.

UTIL INDUSTRIES S.p.A. (hereinafter, for the sake of brevity, "Util Industries" or the "**Company**") carries out sheet metal blanking activities and the construction of molds and equipment for sheet metal blanking as well as mechanical processing in general.

In particular, Util Industries' operating activities are carried out in:

- forging, drawing, stamping and profiling of metals for the production of metal supports for disc brakes and shoes for drum brakes. carried out on two production lines in the Villanova d'Asti (AT) plant;
- maintenance of moulds for the two production lines;
- design and construction of moulds, both for internal use and for sale to third parties;
- carrying out quality checks on products;
- warehouse management.

2.2 Adoption of the Model in Util Industries

Util Industries adopted its own Organization and Control Model in November 2008 and this Model was approved by the Company's Board of Directors on June 24, 2009.

Subsequently, Util Industries, (also as a result of the introduction of additional offences under Legislative Decree no. 231 of 2001), updated and supplemented its Model for the first time in 2014 and, subsequently, in 2019, 2020 and 2025, also taking into account:

- the Company's corporate organizational changes;
- the evolution of jurisprudence and doctrine;
- the considerations deriving from the application of the Model;
- the results of supervisory activities;
- of the evolution of the regulatory framework.

2.3 This Model

2.3.1 <u>The purposes of the Model</u>

The Model prepared by the Company on the basis of the identification of the areas of possible risk in the company's activities within which the possibility of crimes being committed is considered to be higher, aims to:

- prepare a prevention and control system aimed at reducing the risk of committing crimes related to the company's activities;
- make all those who operate in the name and on behalf of Util Industries, and in particular those engaged in the "areas of activity at risk", aware that they may incur, in the event of violation of the provisions contained therein, in an offence punishable by criminal and administrative sanctions, not only against themselves but also against the company;
- inform all those who work with the Company that the violation of the provisions contained in the Model will result in the application of appropriate sanctions or the termination of the contractual relationship;
- confirm that Util Industries does not tolerate unlawful conduct, of any kind and regardless of any purpose and that, in any case, such conduct (even if the Company was apparently in a position to take advantage of it) is in any case contrary to the principles that inspire the Company's business activity.

2.3.2 <u>The construction of the Model</u>

Also on the basis of the indications contained in the reference Guidelines, the construction of the Model (and the subsequent drafting of this document) was divided into the following phases:

(i) preliminary examination of the business context through the analysis of the relevant corporate documentation and the carrying out of interviews with managers of Util Industries informed about the structure and activities of the same, in order to define the organization and activities carried out by the various organizational units/company functions, as well as the business processes in which the activities are divided and their concrete and effective implementation;

(ii) identification of the areas of activity and business processes "at risk" or "instrumental" to the commission of crimes, carried out on the basis of the aforementioned preliminary examination of the business context (hereinafter, for the sake of brevity, cumulatively referred to as the "Areas at Risk of Crime");

(iii) definition by way of hypothesis of the main possible methods of committing the Predicate Offences within the individual Areas at Risk of Crime;

(iv) identification of the entity's control system aimed at preventing the commission of predicate crimes.

2.3.3 <u>The structure of the Model and the Predicate Offences relevant to its construction</u>

The Company intended to prepare a Model that would take into account its own particular reality
in line with its governance system and able to enhance existing controls and bodies.

The Model, therefore, represents a coherent set of principles, rules and provisions that:

- affect the internal functioning of the Company and the ways in which it relates to the outside world;
- regulate the diligent management of a control system of the Areas at Risk of Crime, aimed at preventing the commission, or attempted commission, of the crimes referred to in the Decree.

In particular, the Util Industries Model consists of a "**General Part**", which contains the key principles of the same and some "**Special Parts**", relating to the various categories of crimes provided for by Legislative Decree no. 231 of 2001.

The Special Sections contain - for each category of predicate offences - a brief description of the offences that may be a source of administrative liability for the Company, an indication of the Areas at Risk of Offences identified and a description of the main rules of conduct implemented by the Company, which the Recipients of the Model (as defined below) must comply with in order to prevent the commission of such offences.

Also in consideration of the number of offences that currently constitute a prerequisite for the administrative liability of Entities pursuant to the Decree, some of them were not considered relevant for the purposes of constructing this Model, as they were not relevant or scarcely relevant to the business activity or because it was considered that the risk relating to the commission of such offences was only abstractly and not concretely conceivable, and therefore no significant risks emerged. In particular, following a careful assessment of the actual activity carried out by Util Industries and its history, the following cases were considered irrelevant, in relation to which no elements emerged such as to bring out risk profiles of significant significance in practice:

- crimes with the purpose of terrorism or subversion of the democratic order (Article 25 quarter);
- practices of mutilation of the female genital organs (Article 25-quarter.1);
- crimes against the individual personality other than illegal intermediation and exploitation of labour (Article 25-quinquies);
- market abuse offences (Article 25-sexies);
- transnational crimes (Law 146/2006);
- crimes against animals (art. 25 undevicies);
- crimes of racism and xenophobia (art. 25-terdecies);
- offences of fraud in sports competitions and abusive exercise of gaming or betting (Article 25-quaterdecies);
- liability of entities for administrative offences dependent on crime (Art. 12, Law no. 9/2013).

In any case, the ethical principles on which the Company's Model and its *governance* structure are based are aimed at generally preventing even those types of offences which, due to their irrelevance, are not specifically regulated in the Special Parts of this Model.

2.3.4 Adoption of the Model

The adoption and updating of this Model is delegated by the Decree itself to the competence of the management body (and in particular to the Board of Directors).

2.4 The documents related to the Model

In addition to this General Part and the Special Parts, the following documents form an integral and substantial part of the Model:

- Code of Ethics, adopted by the Board of Directors of Util Industries on 24 June 2009 and subsequently constantly updated, most recently in 2026, containing the set of rights, duties and responsibilities of Util Industries towards all recipients of the Model itself (hereinafter, for the sake of brevity, the "Code of **Ethics**");
- Disciplinary Code, adopted by the Board of Directors of Util Industries, which includes the disciplinary system and related sanctioning mechanism to be applied in the event of violation of the Model (hereinafter, for the sake of brevity, the "**Sanctioning System**");
- Procedure for *whistleblowing* reports;
- System of proxies and powers of attorney, as well as all documents aimed at describing and assigning responsibilities and/or tasks to those who work within the Entity in the Areas at Risk of Crime (*i.e.* organization charts, service orders, *job descriptions*, job descriptions, function charts, etc.);
- System of procedures, protocols and internal controls with the aim of ensuring adequate transparency and knowledge of the decision-making and financial processes, as well as the conduct that must be adopted by the recipients of this Model operating in the Areas at Risk of Crime.

(Below, for the sake of brevity, the system of proxies and powers of attorney, the procedures, protocols and
internal controls mentioned above will be cumulatively defined as the "**Procedures**").

It follows that the term Model must be understood not only as this document, but also as all other documents and Company Procedures in place and which will subsequently be adopted in accordance with the provisions of the same and which will pursue the purposes indicated therein.

2.5 Dissemination of the Model

2.5.1 Recipients

This Model takes into account the particular business reality of Util Industries and represents a valid tool for raising awareness and informing Top Management and Subordinate Subjects, as well as all those who operate in Italy and abroad for the performance of activities and for the achievement of Util Industries' objectives (hereinafter, for brevity, the "**Recipients**").

All this so that the Recipients follow, in the performance of their activities, correct and transparent conduct in line with the ethical and social values that inspire the Company in the pursuit of its corporate purpose and such, in any case, as to prevent the risk of committing the crimes provided for by the Decree.

The competent corporate functions ensure that the principles and rules of conduct contained in the Model and Code of Ethics of Util Industries are incorporated into the Company's Procedures.

2.5.2 Staff Training and Information

It is the objective of Util Industries to ensure that all Recipients are correctly aware of the content of the Decree and the obligations deriving from it.

In order to effectively implement the Model, the Human Resources Department of Util Industries in coordination with the Supervisory Body, prepares, on the basis of the concrete needs identified by the latter, an annual training plan for directors, managers, employees and collaborators who work directly within the Company's structure.

In particular, the training activity will cover, among other things, the Model as a whole, the Code of Ethics, the Disciplinary Code, the functioning of the Supervisory Body, the information flows to the latter, the Company's operating procedures relevant to the purposes of the Model (including the procedure on so-called *whistleblowing reports*). whistleblowing), as well as issues relating to the predicate offences for the application of liability *pursuant to* Legislative Decree 231/01.

The training activity will be modulated, where necessary, in order to provide its users with the appropriate tools for full compliance with the provisions of the Decree in relation to the scope of operation and the tasks of the recipients of the training activity.

The training activity is differentiated, in terms of content and delivery methods, according to the qualification of the recipients, the level of risk of the area in which they operate, and whether or not they have representative functions of the Company.

The training activity is managed by the Human Resources Department, in close cooperation with the Supervisory Body.

At the time of hiring employees and assigning the assignment to collaborators and agents, an information set must be provided in order to ensure that they have the primary knowledge considered essential to operate within the Company (see the following paragraphs).

The content of the courses must be agreed in advance with the Supervisory Body which, to this end, as part of its activity, can and must indicate the subjects and topics that it is appropriate to deal with and deepen or in any case to which it is necessary to draw the attention of the Recipients.

The Supervisory Body, in agreement with the Human Resources Department, ensures that the training programme is adequate and effectively implemented. Training initiatives may also take place remotely or through the use of computer systems.

Suitable communication tools, if necessary in addition to sending updates by e-mail, will be adopted to update the Recipients on any changes made to the Model, as well as any significant procedural, regulatory or organisational changes.

Participation in the training is mandatory for all employees, collaborators and directors who are not employees of the Company and is recorded by the Human Resources Department which keeps track of it: failure to participate without justified reason will be adequately sanctioned.

Each director, manager, employee and collaborator of the Company is required to:

i. to become aware of the contents of the Model;
ii. know the operating methods with which one's activity must be carried out;
iii. actively contribute, in relation to their role and responsibilities, to the effective implementation of the Model, pointing out any deficiencies found in it.

In order to ensure effective and rational communication, the Company promotes and facilitates Employees' knowledge of the contents of the Model, with a degree of depth diversified according to the degree of involvement in sensitive activities, as identified in the Special Parts of the Model.

Information on the content of the Model is ensured through:

- delivery or, in any case, making available the Model and its attachments, including the Code of Ethics, the Disciplinary Code and the *whistleblowing* procedure, at the time of assumption/assignment, also electronically;
- posting on company bulletin boards;
- publication on the company *intranet* (in which all the documents that make up the Model are present and available) dedicated to the subject and updated, from time to time, by the internal reference function in coordination with or on the instructions of the General Management;
- the explicit communication of the additional methods that employees can use to receive a further copy (e.g. request to the Human Resources Department or to the R.S.U. representatives);
- informative e-mails, also for the purpose of periodically sending updates to the Model.

The Human Resources Department is responsible for the dissemination of the Model and its updates, which is responsible for forwarding the documentation to the Recipients by e-mail and receives the relevant certificate of receipt from each recipient via the same channel. The Supervisory Body verifies that the competent functions ensure the correct dissemination of the Model and its updates.

All directors, managers and employees are required to fill in a declaration with which they, having taken note of the Model, undertake to comply with the provisions contained therein.

2.5.3 Information to third parties and dissemination of the Model

Util Industries also provides for the dissemination of the Model to persons who have non-subordinate collaboration relationships with the Company, consultancy relationships, agency relationships, commercial representation relationships and other relationships that take the form of a professional service, not of a subordinate nature, whether continuous or occasional (including subjects acting for suppliers and *partners*, also in the form of temporary associations of companies, as well as *joint ventures*) (hereinafter, for the sake of brevity, the "**Third Parties**").

The adoption by Util Industries of the Code of Ethics and the Model has been brought to the attention of all those with whom Util Industries has contractual relations; in particular, the Code of Ethics has been formally communicated to Third Parties having contractual relations with Util Industries. In addition, the principles of conduct set out in this Model apply to Util Industries' collaborators, agents, partners, suppliers and external consultants by virtue of specific contractual clauses or declarations submitted and accepted by the counterparty. In addition, the general terms and conditions of purchase sent by the Company to suppliers for acceptance contain, *ex multis,* the *"contractual clause 231",* the indication of the supplier's commitments in the ESG field and the clause with which the supplier undertakes

to carry out its activities in full compliance with national and supranational legislation and in compliance with the principles of correctness, integrity and transparency.
In particular, all the relevant company functions must ensure that specific standard clauses are included in the contracts concluded, aimed at:

- compliance by counterparties with the provisions of Legislative Decree 231/2001 and the ethical and behavioral principles adopted by the Company;
- the possibility of the Company to take control actions in order to verify compliance with Legislative Decree 231/2001 and the ethical and behavioural principles adopted by the Company;
- the inclusion of sanctioning mechanisms (termination of the contract) in the event of violation of Legislative Decree 231/2001 and the ethical and behavioral principles adopted by the Company.

Contracts with external collaborators must contain a specific clause that regulates the consequences of their violation of the rules set out in the Decree as well as the principles contained in the Model.

The corporate structures that make use of third parties or that are designated as responsible for the process in which the activity falls note the data and information that allow their behaviour to be known and assessed, making them available, where required, to the Supervisory Body for the purpose of carrying out its control activities.

The Supervisory Body carries out support activities for the other corporate functions, when it is necessary to provide information relating to the Model outside the Company.

2.5.4 Model Update

The updating of the Model is necessary on the occasion of:

- the introduction of legislative innovations;
- significant cases of violation of the Model and/or results of checks on the effectiveness of the same or experiences in the public domain of the sector;
- organisational changes in the Company's corporate structure or business sectors.

The update must be carried out in a cyclical and continuous manner and the Board of Directors, with the collaboration of the Supervisory Body, is responsible for arranging and formally implementing the updating or adaptation of the Model.

More specifically:

- the Supervisory Body communicates to the Board of Directors any information of which it is aware that may determine the opportunity to update the Model;
- the refresher programme is prepared by the Company, in agreement with the Supervisory Body and with the contribution of the company departments concerned.

Amendments and additions are subject to the competence of the Company's Board of Directors.

Amendments concerning the protocols for implementing the Model (e.g.: procedures) are adopted directly by the company departments concerned, possibly also after consulting the Supervisory Body, which may express an opinion and formulate proposals in this regard.

3. ELEMENTS OF THE GOVERNANCE MODEL AND THE GENERAL ORGANIZATIONAL STRUCTURE OF UTIL INDUSTRIES

3.1 The *Company's* Governance Model

Util Industries is a joint-stock company and is administered by a Board of Directors.

The Directors remain in office for the time established by the Shareholders' Meeting at the time of their appointment, and expire on the date of the Shareholders' Meeting called to approve the financial statements for the last financial year of their office.

The Board of Directors has all the broadest powers of ordinary and extraordinary administration and disposition that are not reserved by law to the shareholders' meeting.

The administrative body is also competent, in addition to issuing non-convertible bonds, to adopt resolutions concerning:

- mergers and demergers, in the cases provided for by law;
- the establishment or closure of secondary offices;
- an indication of which of the Directors, in addition to the Chairman, represent the Company;
- the reduction of the capital in the event of withdrawal of the shareholder;
- the adjustments of the statute to regulatory provisions;
- the transfer of the registered office to the national territory.

The Board of Directors is solely responsible for all powers relating to the extraordinary management of the Company and, in particular and among other things, the following powers:

- the approval of budgets;
- the exercise of the right to vote in the shareholders' meetings of investee companies;
- the hiring and dismissal of the General Manager and the Financial Director of the Company;
- the definition of hedging policies for exchange rate and interest rate risk;
- the purchase and sale of real estate, shareholdings and business units or complexes;
- the establishment of companies;
- the provision of collateral in general;

- the issue of sureties in the interest of parties other than subsidiaries, as well as the granting of loans in favour of third parties;
- the possible recourse to collective redundancies or the extraordinary redundancy fund.

The Board of Directors may, within the limits of the law, delegate its powers to an Executive Committee or to one or more of its members.

The signature and representation of the Company are the responsibility of the Chairman and, if appointed, of the Deputy Chairman and the Chief Executive Officers within the scope of and for the exercise of the powers conferred on them, and also, severally, in court, as well as for the execution of the resolutions of the Board and the Executive Committee, if appointed. The administrative body may appoint one or more General Managers.

In particular, the Board of Directors has appointed a General Manager, who also holds the role of Chief Executive Officer, to whom the Board of Directors has assigned specific powers of management and representation, as resulting from the Board resolutions and notarial powers of attorney in force. These powers, by way of example, include:

- general representation of the Company vis-à-vis public bodies, financial administrations, judicial authorities and any public or private entity, without limitations of headquarters or degree;
- management of labour disputes, with powers of judicial and extrajudicial representation, including the power to reconcile and compromise within the limits provided;
- collection powers, including:
  - to demand and collect sums of any kind;
  - issue receipts and discharges;
  - carry out operations at post offices, customs, tax agencies, social security institutions and public or private funds.
- executive and conservative powers, including:
  - to raise protests;
  - to intimate precepts;
  - to proceed with precautionary and executive acts;
- management of payments and current accounts;
- signing and closing of bank account contracts;
- appointment and dismissal of representatives, commissioners, concessionaires and agents, with limits for revocation based on turnover;
- signing of purchase and sale contracts according to the limits conferred;
- personnel management, with the right to:
  - hire, suspend, transfer, dismiss, and liquidate non-managerial personnel;
  - exercising disciplinary powers.

Finally, the Company has adopted a System of Delegations and Powers of Attorney aimed at ensuring clarity, traceability and consistency between organizational responsibilities, signing powers and authorization levels. The System includes special powers of attorney and delegation of functions conferred on persons with adequate technical and organizational skills. For details, see Annex A.

3.2 Representation of the Entity in the proceedings pursuant to Legislative Decree 231/2001

In the proceedings initiated pursuant to Legislative Decree 231/2001, the representation of the Entity is attributed to the legal representative of the Company, who exercises the rights and procedural faculties provided for by current legislation, including the appointment of the Entity's lawyer and the management of relations with the Judicial Authority. The exercise of these prerogatives takes place in compliance with the principles of autonomy, fairness and protection of the interest of the Entity.

In order to prevent the hypotheses of incompatibility provided for by art. 39 of the Decree, the Authority has defined suitable organisational measures to ensure the separation between the position of the person possibly involved in the proceedings and that of the Entity. In particular, the system of proxies and powers of attorney identifies an alternative party, not involved in the facts subject to dispute, suitable to assume the procedural representation of the Authority in cases where the legal representative is in a situation of incompatibility or conflict of interest.

If the conditions of incompatibility provided for by art. 39 of the Decree are met, the appointment of the Entity's counsel is attributed to the Chairman of the Board of Directors or, in the event of his absence or further incompatibility, to the oldest Director not involved in the facts under dispute. The person identified exercises procedural representation limited to the obligations necessary for the protection of the Entity.

3.3 General principles of control in all Areas at Risk of Crime

In addition to the specific controls described in each of the Special Parts of this Model, the Company has adopted specific control principles applicable in all Areas at Risk of Crime.

These are, specifically, the following:

- **Transparency**: every operation/transaction/action must be justifiable, verifiable, consistent and congruent;
- **Separation of functions/powers:** no one can independently manage an entire process and can be endowed with unlimited powers; authorization and signing powers must be defined in a manner consistent with the organizational responsibilities assigned;
- **Adequacy of internal rules:** the set of company rules must be consistent with the operations carried out and the level of organizational complexity and such as to guarantee the controls necessary to prevent the commission of the crimes provided for by the Decree;
- **Traceability/Documentability:** each operation/transaction/action, as well as the related

verification and control activity must be documented and the documentation must be adequately archived.

4. THE SUPERVISORY BODY

4.1 Characteristics of the Supervisory Body

According to the provisions of Legislative Decree no. 231 of 2001 (articles 6 and 7), as well as the indications contained in the Confindustria Guidelines, the characteristics of the Supervisory Body, which carries out the activities of competence in a collegial manner, such as to ensure effective and effective implementation of the Model, must be:

(a) autonomy and independence;
(b) professionalism;
(c) continuity of action.

Autonomy and independence

The requirements of autonomy and independence are essential so that the Supervisory Body is not directly involved in the management activities that are the subject of its control activity and, therefore, is not subject to conditioning or interference by the management body.
These requirements are ensured by organizational positioning, member requirements, and reporting lines. In particular:

- in the context of the organisational structure, the Supervisory Body is on the staff of the Board of Directors;
- the members of the Supervisory Body are required to meet formal subjective requirements that guarantee the autonomy and independence required by the task (e.g. integrity, absence of conflicts of interest and family relations with the corporate bodies and top management, etc.);
- the Supervisory Body reports directly to the Board of Directors.

For the purposes of independence, it is also essential that the Supervisory Body is not assigned operational tasks, which would compromise its objectivity of judgment with reference to checks on the conduct and effectiveness of the Model.

Professionalism

The Supervisory Body must possess technical and professional skills appropriate to the functions it is called upon to perform. These characteristics, combined with independence, guarantee objectivity of judgment[1].

[1] This refers, among other things, to: risk analysis and assessment techniques; measures for their containment (organisational procedures, mechanisms for opposing tasks, etc.); *flow charting* of procedures and processes for identifying weaknesses, interview techniques and questionnaire processing; methods for detecting fraud; etc. The Supervisory Body must have inspection skills (to ascertain how a crime of

Continuity of action

The Supervisory Body must:

- carry out the activities necessary for the supervision of the Model on an ongoing basis with adequate commitment and with the necessary investigative powers;
- be a structure referable to the Company, so as to ensure due continuity in supervisory activities.

4.2 Identification of the Supervisory Body

The Company's Supervisory Body is composed of 3 (three) standing members appointed by the Board of Directors, of which two are external members and one internal member.

This configuration of the composition of the Supervisory Body, which has a majority of external members, guarantees the autonomy of the control initiative from any form of interference and/or conditioning by any member of the organization, while ensuring sufficient continuity of action and, overall, allows to meet the requirement of professionalism in relation to the different categories of predicate crimes.

With the same resolution that appointed the Supervisory Body, the Board of Directors of the Company set the remuneration due to this body for the task assigned to it.

Once established, the Supervisory Body shall adopt its own internal regulations, as well as establish and update the plan of activities to be carried out. The regulation includes:

- duties of the President;
- convening of meetings;
- decisions;
- secretariat and minutes;
- hearings and technical committees;
- content of reports to the Board of Directors;
- content of other relationships to/from the Supervisory Body;

the kind in question could have occurred and who committed it); consultancy skills (to adopt – at the time of the design of the Model and subsequent amendments – the most suitable measures to prevent, with reasonable certainty, the commission of the crimes themselves) or, again, currently, to verify that daily behaviour actually complies with those codified) and legal skills. Legislative Decree no. 231 of 2001 is a criminal law and has the activity of the Supervisory Body as a committer); consultancy skills (to adopt – at the time of the design of the Model and subsequent amendments – the most suitable measures to prevent, with reasonable certainty, the commission of the crimes themselves) or, again, currently, to verify that daily conduct actually complies with those codified) and legal skills. Legislative Decree no. 231 of 2001 is a criminal discipline and since the activity of the Supervisory Body is aimed at preventing the commission of crimes, it is therefore essential to know the structure and methods of carrying out crimes (which can be ensured through the use of company resources, or external consultancy).

- organisational methods for managing document supports;
- contact with the Supervisory Body.

The following are grounds for replacing or supplementing the composition of the Supervisory Body:

a) the assignment of tasks, roles and/or responsibilities within the corporate organizational structure that are not compatible with the requirements of "autonomy and independence" and/or "continuity of action" proper to the Supervisory Body;
b) the termination of the collaboration relationship with the Company by the internal member of the Supervisory Body;
c) the termination or resignation of the member of the Supervisory Body dictated by personal reasons.

4.3 Duration of the appointment and causes of termination

The Supervisory Body remains in office for the duration of the term of office of the Board of Directors that appointed it and may be renewed.

The <u>termination</u> of the Supervisory Body's office may occur for one of the following reasons:

- expiry of the assignment;
- revocation by the Board of Directors (see below);
- resignation of a member, formalized by means of a specific written communication sent to the Board of Directors;
- occurrence of one of the causes of forfeiture referred to in paragraph 4.4 below.

The <u>revocation</u> of the Supervisory Body can only be ordered for just cause and these must be understood, by way of example, the following cases:

- the case in which the member is involved in a criminal trial concerning the commission of a crime;
- the case in which the violation of the confidentiality obligations provided for by the Supervisory Body is found;
- gross negligence in the performance of tasks related to the assignment;
- the possible involvement of the Company in criminal or civil proceedings that are related to omitted or insufficient supervision.

The revocation is ordered by resolution of the Board of Directors, subject to the opinion of the Board of Statutory Auditors of the Company.

In the event of expiry, revocation or renunciation, the Board of Directors shall appoint the new member of the Supervisory Body without delay, while the outgoing member shall remain in office until he or she is replaced.

4.4 Cases of ineligibility and forfeiture

The following are grounds for ineligibility and/or forfeiture of the member of the Supervisory Body:

a) disqualification, incapacitation, bankruptcy or, in any case, criminal conviction, even if not final, for one of the crimes provided for by the Decree or, in any case, to a penalty that involves disqualification, even temporary, from public office or the inability to exercise managerial offices;
b) the existence of kinship, marriage or affinity relationships up to the fourth degree with the members of the Board of Directors, with persons who hold representative or administrative or managerial functions of the Company, with members of the Company's Board of Statutory Auditors, or with external persons in charge of auditing;
c) conflicts of interest, including potential ones, with the Company or with subsidiaries, which compromise its independence;
d) the ownership, directly or indirectly, of shareholdings of such an extent as to allow it to exercise significant influence over the Company or its subsidiaries;
e) director functions held, in the three years prior to his appointment to the Supervisory Board, in companies subject to insolvency proceedings;
f) public employment relationship with central or local administrations in the three years prior to his appointment as a member of the Supervisory Body.

If, during the term of office, a cause for forfeiture should arise, the member of the Supervisory Body is required to immediately inform the other members of the Supervisory Body and will automatically lose his office. The Supervisory Body communicates the news to the Chairman and the Chief Executive Officer.

4.5 Functions, duties and powers of the Supervisory Body

In accordance with the indications provided by the Decree and the Guidelines, the function of the Supervisory Body consists, in general, in:

- supervise the effective application of the Model in relation to the different types of crimes taken into consideration by the same;
- verify the effectiveness of the Model and its real ability to prevent the commission of the crimes in question;

- identify and propose to the Board of Directors updates and amendments to the Model itself in relation to changed regulations or changed business needs or conditions;
- verify that the proposals for updates and amendments formulated by the Board of Directors have actually been incorporated into the Model.

Within the scope of the function described above, the Supervisory Body is responsible for the following tasks:

- carry out periodic interventions, on the basis of an annual programme drawn up by the SB itself, aimed at ascertaining the provisions of the Model and in particular supervising:

  - to ensure that the procedures and controls covered by it are applied and documented in a compliant manner;
  - so that ethical principles are respected;
  - on the adequacy and effectiveness of the Model in the prevention of crimes relevant to the Decree;

- periodically check the map of the Areas at Risk of Crime and the adequacy of the control points in order to allow them to be adapted to changes in the activity and/or company structure. To this end, the recipients of the Model, as better described in the Special Parts of the same, must report to the Supervisory Body any situations that may expose Util Industries to the risk of crime. All communications must be drawn up in writing and sent to the appropriate e-mail address activated by the Supervisory Body;
- periodically carry out, on the basis of the Supervisory Body's activity plan previously established, targeted checks and inspections on certain transactions or specific acts, carried out within the Areas at Risk of Crime, bearing in mind that primary responsibility for the control of activities remains delegated to operational management and forms an integral part of the business process;
- collect, process and store the information (including the reports referred to in the following paragraph) relevant to compliance with the Model, as well as update the list of information that must be sent to the Supervisory Body;

- report any deficiencies/inadequacies of the Model in the prevention of crimes relevant to the Decree and verify that management implements corrective measures;

- conduct internal investigations to ascertain alleged violations of the provisions of this Model brought to the attention of the Supervisory Body by specific reports or emerged during the supervisory activity of the same;
- verify that the elements provided for in the Model for the various types of offences (standard clauses, procedures and related controls, system of proxies, etc.) are effectively adopted and implemented and meet the requirements of compliance with Legislative Decree no. 231 of 2001, providing, if this is not the case, to propose corrective actions and updates of the same;
- periodically verify the most significant corporate deeds and the most important contracts concluded by the Company in the context of the Areas at Risk of Crime;
- define the necessary resources and operating methods to carry out the activities effectively in order to ensure that there is no omission or insufficient supervision;
- promote suitable initiatives for the dissemination of knowledge and understanding of the Model among the Recipients, ensuring the preparation of internal documentation (instructions, clarifications, updates) or specific training seminars, necessary for the Model to be understood and applied, and verify the presence of the internal organisational documentation necessary for the operation of the Model itself.

The Supervisory Body does not have the authority or responsibility to change company policies and procedures, but to assess their adequacy for the achievement of the objectives indicated in Legislative Decree no. 231 of 2001: it must therefore be informed before a procedure concerning an activity deemed at risk is defined.

In order to carry out the functions and tasks indicated above, the Supervisory Body is granted the following <u>powers</u>:

- access in a wide and widespread way to the various company documents and, in particular, to:

  a) documentation concerning contractual and non-contractual relationships established by the Company with third parties,
  b) information or data relating to company personnel and more generally to any type of information or company data, even if classified as "confidential" (without prejudice to compliance with privacy legislation);
  c) balance sheet data and transactions;
  d) company procedures;
  e) strategic plans, budgets, forecasts and more generally short, medium and long-term economic-financial plans.

- avail itself of the support and cooperation of the various corporate structures and corporate bodies that may be interested, or in any case involved, in control activities;
- stipulate, modify and/or terminate specific consultancy and assistance assignments to

professionals, including those external to the Company, who possess the specific skills necessary for the best execution of the assignment.

To achieve its objectives, the Supervisory Body may coordinate its activities with those carried out by the Board of Statutory Auditors and external auditors and access the results obtained by them, using the relevant documentation.

In addition, the Supervisory Body has the authority to physically access the areas that are subject to verification, directly interviewing company personnel and, where necessary, conducting investigations into the existence of certain information or company assets.

In particularly serious cases, the Board of Directors may order (after consulting the Board of Statutory Auditors) the suspension of the powers and/or functions of the Supervisory Body and the appointment of an interim or revocation of powers. The following shall constitute grounds for suspension or revocation:

- omitted or insufficient supervision by the Supervisory Body resulting from a conviction, even if not final, issued against the Company pursuant to Legislative Decree no. 231 of 2001 or from a sentence of application of the penalty on request (so-called plea bargaining);
- serious breach of the functions of the Supervisory Body.

4.6 Resources of the Supervisory Body

The Board of Directors assigns to the Supervisory Body the human and financial resources deemed appropriate for the purpose of carrying out the assigned task. In the event of extraordinary needs that require additional financial resources, the SB will forward a specific request to the Board of Directors. In particular, the Supervisory Body is granted autonomous spending powers within the allocated budget, as well as the power to stipulate, modify and/or terminate professional assignments to third parties in possession of the specific skills necessary for the best execution of the assignment.

Any refusal by the Board of Directors to make the necessary resources available to the Supervisory Body must be adequately justified in writing.

4.7 Information flows of the Supervisory Body. Whistleblowing reports

4.7.1 Information obligations towards the Supervisory Body

In order to facilitate the supervision of the effectiveness of the Model, the Supervisory Body must be informed, by means of specific reports by the Recipients (and, where applicable, by Third Parties) of events that could involve the liability of Util Industries pursuant to Legislative Decree no. 231 of 2001 and, in general, of information that may be relevant for the purposes of supervising the effectiveness, effectiveness and updating of the Model, including any information relating to the existence of possible violations of the same.

In this regard, the Company has prepared a Scheme of information flows to the Supervisory Body, which systematically regulates the type, periodicity and methods of transmission of relevant information (Annex B - Scheme of information flows to the Supervisory Body" of this Model).

In particular, information flows to the Supervisory Body are divided into periodic information flows and specific information.
This information must be communicated when it concerns:

- the measures and/or information coming from judicial police bodies, or from any other authority, relating to the conduct of investigations involving Util Industries or the members of the corporate bodies;
- any reports prepared by the heads of other bodies (e.g., the Board of Statutory Auditors) as part of their control activities and from which facts, acts, events or omissions with critical profiles with respect to compliance with Legislative Decree no. 231 of 2001 could emerge;
- news relating to disciplinary proceedings as well as any sanctions imposed or measures to dismiss such proceedings with the related reasons, if they are related to the commission of crimes or violation of the rules of conduct or procedure of the Model;
- commissions of inquiry or internal reports/communications from which responsibility for the hypotheses of crime referred to in Legislative Decree no. 231 of 2001 emerges;
- organizational changes;
- the updates of the system of delegations and powers;
- particularly significant transactions carried out within the Areas at Risk of Crime;
- changes in Areas at Risk of Crime or potentially at risk;
- any communications from the Board of Statutory Auditors regarding aspects that may indicate deficiencies in the internal control system, reprehensible facts, observations on the Company's financial statements;
- the declaration of the truthfulness and completeness of the information contained in the corporate communications;

- a copy of the minutes of the meetings of the Board of Directors, the Board of Statutory Auditors.

In particular, the following information flows are provided from the company areas to
The Supervisory Body:

- sending, at least once a year, by the Manager in charge of managing financial data, the report of the person in charge of accounting control (pursuant to Article 2409-bis/ter of the Italian Civil Code);
- quarterly reports relating to the control activities carried out within the function for monitoring the function;
- annual declaration by the heads of function that they have informed the Supervisory Body of any cases or situations that may indicate alleged violations of the Model;
- indication, by the Safety Manager, of the new regulatory requirements relating to the protection of health and safety at work.

Information flows can be transmitted through a special e-mail address:
organismovigilanza231@utilgroup.com.

4.7.2 Whistleblowing Reports

In accordance with the provisions of the introduction of Legislative Decree 24/2023, Util Industries has adopted the "Whistleblowing Policy" - to which reference is made in full - aimed at strengthening the legal protection of people who report violations of national or European regulatory provisions, which harm the interests and/or integrity of the private entity to which they belong (and also public), and of which they have become aware in the course of their work.

This Corporate Procedure was also adopted in order to identify and combat possible violations of the Code of Ethics, the Model itself and the Policies and Procedures adopted by the Company, as well as other unlawful or irregular conduct that may undermine its integrity.

Reports can be made:

a) through an internal reporting channel, using the OpenBlow platform (digital platform and IVR voice channel)

b) Through external reporting channels:

- by accessing the ANAC page to make a Report through the following link: https://www.anticorruzione.it/-/whistleblowing

- by submitting the report through different channels. The external Report submitted to a party other than ANAC is transmitted to the latter, within seven days from the date of its receipt, giving simultaneous notice of the transmission to the Whistleblower. On this point, please refer to the Whistleblowing Policy adopted by the Company for more information.

For the management of reports, the Company has set up a special Whistleblowing Committee, responsible for managing reports received through the channels described below.

The Whistleblowing Committee ensures the flow of information to the Supervisory Body, in accordance with the provisions of Annex B of this Model, ensuring completeness, timeliness and traceability of the information. In particular:

- *per event*, the Committee transmits to the SB the Whistleblowing reports deemed relevant for the purposes of Legislative Decree 231/2001;
- every six months, the Committee provides the SB with summary information on all reports received, including those not relevant for the purposes of Legislative Decree 231/2001 or declared inadmissible, reporting at least: date of receipt, subject of the report, date of transmission of the acknowledgement of receipt to the Whistleblower, outcome of the investigation (filing or validity), date of communication of the outcome to the Whistleblower, as well as any measures taken by the Company following the report.

In addition, it should be noted that whistleblowers are insured against any form, direct or indirect, of retaliation, which causes or may cause, directly or indirectly, unjust damage, without prejudice to legal obligations and when the criminal liability of the whistleblower for the crimes of defamation or slander and/or, for the same reason, also civil liability for intent or gross negligence, is ascertained, in the terms provided for by current legislation. In these circumstances, the Company reserves the right to take action to protect its rights, including disciplinary action.

In any case, the confidentiality of the identity of the whistleblower is ensured and sanctions are also provided for those who violate the whistleblower's protection measures

4.7.3 Information obligations of the Supervisory Body

Given that the responsibility for adopting and effectively implementing the Model remains with the Company's Board of Directors, the Supervisory Body reports on the implementation of the Model and the occurrence of any critical issues.
In particular, the Supervisory Body is responsible to the Board of Directors for:

- periodically communicate the progress of the activities carried out;
- promptly communicate any problems related to the activities, where relevant;
- report, at least once a year, on the implementation of the Model.

In addition to the Board of Directors, the Supervisory Body will be required to periodically report to the Board of Statutory Auditors on its activities.

In particular, the following carry-over lines are envisaged:

- continuously, towards the Chief Executive Officer, who informs the Board of Directors as part of the information on the exercise of the powers conferred;

- to the Board of Directors and the Board of Statutory Auditors, through a specific report containing:

  1. summary of all the activities carried out during the year, of the controls and checks carried out;
  2. any update of the Model;
  3. other issues of greater importance;
  4. annual plan of activities planned for the following year;

- immediately, against the Chief Executive Officer, if facts of particular materiality or significance are ascertained.

The Supervisory Body may in turn request to be heard by the Company's Board of Directors or, in case of urgency, by the Chief Executive Officer, whenever it deems it appropriate to promptly report on violations of the Model or request attention to critical issues relating to the operation and compliance with the Model itself.

The Board of Directors also has the right to convene the SB at any time to
report on their activity and ask to confer with the same.

Meetings with the corporate bodies to which the Supervisory Body reports must be recorded. A copy of these minutes will be kept by the Supervisory Body and by the bodies involved from time to time.

Without prejudice to the above, the Supervisory Body may also communicate, assessing the individual circumstances:

(i) at the end of each periodic meeting, the results of its investigations to the heads of the functions and/or processes if the activities result in aspects that can be improved. In this case, it will be necessary for the Supervisory Body to obtain from the process managers an action plan, with relative timing, for the implementation of the activities susceptible to improvement as well as the result of such implementation;

(ii) report to the Board of Directors and the Board of Statutory Auditors any behaviour/actions that are not in line with the Model in order to:

   a) acquire from the Board of Directors all the elements to make any communications to the structures responsible for the evaluation and application of disciplinary sanctions;
   b) give indications for the removal of deficiencies in order to avoid the repetition of the event.

Finally, the Body is obliged to immediately inform the Board of Statutory Auditors if the violation concerns the members of the Board of Directors.

5. PENALTY SYSTEM FOR FAILURE TO COMPLY WITH THIS MODEL AND THE RULES-PROVISIONS REFERRED TO THEREIN

5.1 General principles

Util Industries acknowledges and declares that the preparation of an adequate sanctioning system for the violation of the rules contained in the Model, in the related Annexes and in the Procedures is an essential condition to ensure the effectiveness of the Model itself.

In this regard, in fact, the same Article 6, paragraph 2, letter e) of the Decree provides that the Organization and Management Models must *"introduce a disciplinary system suitable for sanctioning non-compliance with the measures indicated in the model"*.

The application of disciplinary sanctions is independent of the outcome of any criminal proceedings, as the rules of conduct imposed by the Model, the Code of Ethics and the Procedures are adopted by the Company in full autonomy and regardless of the type of offences referred to in Legislative Decree no. 231 of 2001 that the violations in question may cause.

Failure to comply with the rules contained in the Model, the Code of Ethics and the Procedures in fact damages the relationship of trust existing with the Company and involves disciplinary action regardless of the possible establishment of criminal proceedings in cases where the violation constitutes a crime. This is also in compliance with the principles of timeliness and immediacy of disciplinary complaints and the imposition of sanctions, in compliance with the laws in force.

More precisely, the violation of the measures established in the Model, in the Code of Ethics and in the Procedures – and in particular of the *whistleblowing procedure* – by the Recipients is sanctioned pursuant to the Disciplinary Code adopted by the Company, attached hereto, to be considered an integral part of the Model and to which reference is made in full.

5.2 Definition of "Violation" for the purposes of the operation of this Sanctioning System

By way of general and illustrative reasons, the following constitutes a "**Violation**" of this Model and the Code of Ethics and the related Procedures:

- the implementation of actions or behaviours, which do not comply with the law and the provisions contained in the Model itself and in the related Procedures, which involve a situation of mere risk of committing one of the offences contemplated by Legislative Decree no. 231 of 2001;
- the omission of actions or behaviors prescribed in the Model and in the related Procedures that involve a situation of mere risk of committing one of the crimes contemplated by Legislative Decree no. 231 of 2001.
- acts of retaliation or discrimination, direct or indirect, against the person who has made a

report pursuant to the attached procedure on the reporting of violations (so-called whistleblowing), for reasons linked, directly or indirectly, to the report;

- the making, with intent or gross negligence, of reports pursuant to the attached procedure on the reporting of violations (so-called *whistleblowing*), which later turned out to be unfounded.